

§ 793.19

within each standard metropolitan statistical area and the population of these cities. From time to time, new areas are designated as "standard metropolitan statistical areas" and areas once designated as such are deleted from the area definitions. This booklet may be purchased, for 25 cents, from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

(e) *Principal city.* The term "principal city", as used in section 13(b)(9), means the "central city", or cities, of the standard metropolitan statistical area, which are defined and designated as such by the Bureau of the Census. The name of the "central city" is incorporated in the name of the standard metropolitan statistical area. Where two or more cities are designated by the Bureau of the Census as the "central cities", the names of such cities appear in the title of the standard metropolitan statistical area. For example, the "Duluth-Superior" standard metropolitan statistical area, has two "central" cities, namely Duluth and Superior; both appear in the title of the standard metropolitan statistical area, and both are regarded as "principal" cities for purposes of the section 13(b)(9) exemption. Where, as in the example, more than one city is designated as the "central" city airline mileage will be measured from that "central" city which is nearest to the city or town in which the major studio of the radio or television station is located.

(f) *Determining the population.* The population of a city or town, or of a standard metropolitan statistical area, will be determined by the latest available decennial census figures as compiled by the U.S. Bureau of the Census.

(g) *Measuring airline miles.* Airline miles for purposes of the section 13(b)(9) exemption are measured, with a straight edge on a map, from the zero milestone, or the city hall, of the "central" city, to the zero milestone, or city or town hall, of the city or town in which the major studio of the radio or television station is located.

29 CFR Ch. V (7-1-06 Edition)

WORKWEEK APPLICATION OF EXEMPTION

§ 793.19 Workweek is used in applying the exemption.

The unit of time to be used in determining the application of the exemption under section 13(b)(9) to an employee is the workweek. (See *Overnight Motor Transportation Co. v. Missel*, 316 U.S. 572; *McComb v. Puerto Rico Tobacco Marketing Co-op Ass'n.*, 80 F. Supp. 953, affirmed, 181 F. 2d 697.) A workweek is a fixed and regularly recurring period of 7 consecutive 24-hour periods. It may begin at any hour of any day set by the employer and need not coincide with the calendar week. Once the workweek has been set it commences each succeeding week on the same day and at the same hour. The workweek may not be changed for the purpose of evading the requirements of the Act.

§ 793.20 Exclusive engagement in exempt work.

An employee who engages exclusively in a workweek in work which is exempt under section 13(b)(9) is exempt from the Act's overtime requirements for the entire week.

§ 793.21 Exempt and nonexempt work.

Where an employee in the same workweek performs work which is exempt from the overtime requirements of the Act under section 13(b)(9), and also engages in work to which the overtime requirements apply, he is not exempt from overtime provisions of the Act in that week. (See *McComb v. Puerto Rico Tobacco Marketing Co-op Ass'n.*, 80 F. Supp. 953, affirmed, 181 F. 2d 697; *Mitchell v. Hunt*, 263 F. 2d 913; *Abram v. San Joaquin Cotton Oil Co.*, 46 F. Supp. 969; *McComb v. del Valle*, 80 F. Supp. 945; *Walling v. Peacock Corp.*, 58 F. Supp. 880.) As explained in § 793.13, work which does not come within the occupational duties of an announcer, news editor, or chief engineer, or which is not related and incidental thereto, is not exempt work under section 13(b)(9). The mere isolated or occasional performance of insubstantial amounts of such nonexempt work will not defeat the exemption for the employee. Where, however, an employee, in a particular workweek, performs a substantial amount of nonexempt work to

Wage and Hour Division, Labor

Pt. 794

which the overtime provisions of the Act are applicable, the employee is not exempt under section 13(b)(9) in that workweek. For administrative purposes an employee who spends 20 percent or more of the hours he works in a workweek in such nonexempt work, will not be considered exempt under section 13(b)(9) in that workweek.

PART 794—PARTIAL OVERTIME EXEMPTION FOR EMPLOYEES OF WHOLESALE OR BULK PETROLEUM DISTRIBUTORS UNDER SECTION 7(b)(3) OF THE FAIR LABOR STANDARDS ACT

Subpart A—General

Sec.

- 794.1 General scope of the Act.
- 794.2 Purpose of this part.
- 794.3 Matters discussed in this part.
- 794.4 Significance of official interpretations.
- 794.5 Basic support for interpretations.
- 794.6 Reliance on interpretations.
- 794.7 Interpretations made, continued, and superseded by this part.

Subpart B—Exemption From Overtime Pay Requirements Under Section 7(b)(3) of the Act

SCOPE AND APPLICATION IN GENERAL

- 794.100 The statutory provision.
- 794.101 Intended scope of exemption.
- 794.102 Guides for construing exemptions.
- 794.103 Dependence of exemption on engagement in described distribution.
- 794.104 Enterprises engaged in described distribution and in other activities.
- 794.105 Other requirements for exemption.

THE "ENTERPRISE"

- 794.106 Statutory definition of "enterprise."
- 794.107 "Establishment" distinguished.
- 794.108 Scope of enterprise must be known before exemption tests can be applied.
- 794.109 Statutory basis for inclusion of activities in enterprise.
- 794.110 Activities excluded from the enterprise by the statute.
- 794.111 General characteristics of the statutory enterprise.

"INDEPENDENTLY OWNED AND CONTROLLED LOCAL ENTERPRISE"

- 794.112 Only independent and local enterprises qualify for exemption.
- 794.113 The enterprise must be "local."
- 794.114 The enterprise must be "independently owned and controlled."

- 794.115 "Independently owned."
- 794.116 "Independently * * * controlled."
- 794.117 Effect of franchises and other arrangements.
- 794.118 Effect of unrelated activities.

ANNUAL GROSS VOLUME OF SALES

- 794.119 Dependence of exemption on sales volume of the enterprise.
- 794.120 Meaning of "annual gross volume of sales."
- 794.121 Exclusion of excise taxes.
- 794.122 Ascertainment of "annual" gross sales volume.
- 794.123 Method of computing annual volume of sales.
- 794.124 Computations on a fiscal year basis.
- 794.125 Grace period of 1 month for compliance.
- 794.126 Computations for a new business.

SALES MADE WITHIN THE STATE

- 794.127 Exemption conditioned on making 75 percent of sales within the State.
- 794.128 Sales made to out-of-State customers.
- 794.129 Sales "made within the State" not limited to noncovered activity.

SALES MADE TO OTHER BULK DISTRIBUTORS

- 794.130 Not more than 25 percent of sales may be to customers engaged in bulk distribution of petroleum products for resale.
- 794.131 "Customer * * * engaged in bulk distribution."
- 794.132 "Petroleum products."
- 794.133 "Bulk" distribution.
- 794.134 Distribution "for resale."

APPLICATION OF EXEMPTION TO EMPLOYEES

- 794.135 Employees who are exempt.
- 794.136 Employees whose activities may qualify them for exemption.
- 794.137 Effect of activities other than "wholesale or bulk distribution of petroleum products."
- 794.138 Workweek unit in applying the exemption.
- 794.139 Exempt and nonexempt activities in the workweek.
- 794.140 Compensation requirements for a workweek under section 7(b)(3).
- 794.141 Workweeks when hours worked do not exceed 12 in any day or 56 in the week; compensation requirements.
- 794.142 Special compensation when overtime in excess of 12 daily or 56 weekly hours is worked in the workweek.
- 794.143 Work exempt under another section of the Act.

RECORDS TO BE KEPT BY EMPLOYERS

- 794.144 Records to be maintained.